



## **H.R. 3161 - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2008**

### **Executive Summary**

The House will consider H.R. 3161 pursuant to an open rule on July 31, 2007. The bill provides \$90.4 billion in total spending, which is \$982 million above the President's request and \$1.0 billion above the FY2007 level.

The Special Supplemental Nutritional Program for Women, Infants, and Children (WIC), receives \$5.62 billion in discretionary funds in the bill, which is \$415.5 million above FY2007 funding and \$233.4 million above the President's request. This program provides food and diet supplements to low-income women, infants, and children and constitutes nearly 30% of the discretionary budget authority in the bill. Republicans sought to fund WIC at a lower level in favor of programs that would seek to help those low-income women, infants, and children to reduce the need for WIC.

Ranking Member Jerry Lewis (R-CA) and Subcommittee Ranking Member Jack Kingston (R-GA) submitted minority views that praised the Committee's efforts in writing this bill, but also noted that "there are several accounts in the bill which special accommodations were made and the Democrat majority, in our view, provides excessive funding increases..."

Committee Republicans also noted their reservations about the Distance Learning, Telemedicine (DLT) and Broadband program, which received \$59.2 million, \$10.0 million more than in FY2007 and \$28.0 million more than the President requested. Republicans were concerned that through this program the federal government competes with and undermines the private sector. H.R. 3161 also contains some controversial provisions that prevent funds in the bill from being used to 1) enforce measures to prevent individuals from importing prescription drugs and 2) administer the slaughter of horses.

The Democrats' overall 302(b) allocation levels for FY2008 represent an \$83 billion increase over the 2007 enacted budget levels. While Democrats defend this substantial increase by claiming domestic programs have been starved in recent years, the reality is that domestic discretionary spending has increased 40 % – or 12 % in real dollars – since 2001. The Administration has threatened to veto any appropriations bill with more funding than requested.

## Floor Situation

H.R. 3161 is being considered on the floor pursuant to an open rule. The rule:

Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the Committee on Appropriations.

Waives all points of order against consideration of the bill except for clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.

During amendment consideration, the Chairman may give priority in recognition to Members who pre-printed his or her amendment(s).

Waives points of order against provisions that fail to comply with clause 2 of rule XXI.

*Note: This provision waives the House Rule that prohibits authorizing language in an appropriations bill. All Republican Ranking Members signed a letter in objection to this tactic.*

Provides one motion to recommit with or without instructions.

Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The bill was introduced by Representative Rosa DeLauro (D-CT) on July 24, 2007. The House Committee on Appropriations reported H.R. 3161 on July 24, 2007.

The bill is expected to be considered on the floor on July 31, 2007.

## Summary

(in millions)

	<b>FY07 Enacted</b>	<b>FY08 Request</b>	<b>FY08 H.R. 3161- Discretionary</b>	<b>FY08 H.R. 3161 - Mandatory</b>
<b>Total</b>	\$17,774.0	\$17,835.0	\$18,817.0	\$71,536.4
<b>TITLES</b>				
<b>Title I - Agriculture</b>	\$34,030.3	\$24,465.0	\$6,638.6	\$17,818.0
<b>Title II - Conservation</b>	\$852.6	\$825.6	\$980.2	\$0
<b>Title III - Rural Development</b>	\$2,500.0	\$2,049.2	\$2,474.0	\$0
<b>Title IV - Domestic Food</b>	\$57,030.0	\$59,342.0	\$5,989.6	\$53,718.4
<b>Title V - Foreign Assistance</b>	\$1,478.6	\$1,496.7	\$1,486.6	\$0
<b>Title VI - FDA &amp; Rel. Agencies</b>	\$1,672.2	\$1,756.7	\$1,798.2	\$0
<b>FDA</b>	\$1,574.2	\$1,640.7	\$1,695.7	\$0
<b>CFTC</b>	\$98.0	\$116.0	\$102.6	\$0

## **Title I – Agricultural Programs**

**Animal and Plant Health Inspection Service (APHIS):** H.R. 3161 approves \$874.6 million for APHIS, which is \$28.4 million above FY2007, and \$70.9 million below the President's request. The APHIS program is responsible for protecting and promoting U.S. agricultural health, regulating genetically engineered organisms, administering the Animal Welfare Act and carrying out wildlife damage management activities.

**National Animal Identification System (NAIS):** H.R. 3161 includes language requiring the NAIS program to compile a report to the Committee including "tangible outcomes, measurable goals, specific milestones, and necessary resources for the entire [NAIS] program." The Committee report states that until a report with the information above is received "the Committee has no justification to continue funding for this program and therefore the Committee recommendation includes no new funding."

**Agricultural Marketing Service (AMS):** The bill approves \$79.9 million for AMS, which is \$5 million above FY2007, and \$5 million above the President's request.

**County of Origin Labeling (COOL):** H.R. 3161 sets a timeline requiring the USDA to implement country of origin labeling rules for all covered commodities by September 20, 2008. The bill also includes \$2 million to implement COOL.

*\*Note: Committee Republicans "have strong reservations about providing \$2 million for the implementation of the COOL requirements for all covered commodities. There is no information available relating to the use of these funds, or even why they are needed in fiscal year 2008. The funding may, in fact, be premature since COOL will not be enacted until September 30, 2008."*

## **Title II – Conservation Programs**

**Watershed and Flood Prevention Operations:** H.R. 3161 approves \$37 million for this program which did not receive funding in FY2007 and the President did not request any funding for this program in FY2008.

**Watershed Rehabilitation Program:** The bill provides \$31.3 million for this program, which is an increase of \$277,000 over FY2007 funding, and \$25.8 million more than the President's request.

**Resource Conservation and Development:** H.R. 3161 provides \$52.3 million for this program, which is an increase of \$1.3 million over FY2007 funding, and \$37.7 more than the President's request.

### **Title III – Rural Development Programs**

**Rural Community Advancement Program (RCAP):** H.R. 3161 approves \$728.8 million for this program, which is \$8.3 million less than FY2007 funding, and \$158.3 million more than the President requested. RCAP is designed to assist small communities with low per capita incomes develop strategies to spur economic development.

**Distance Learning, Tele-medicine (DLT) and Broadband Program:** The bill provides \$59.2 million for this program, which is \$10.0 million more than FY2007 funding and \$28.0 million more than the President's request.

*\*Note: Committee Republicans stated: "We continue to have reservations about this program. It is one thing for the federal government to help expand the use of DLT and broadband services. It is quite another for the government to both compete with and undermine the private sector where they would operate except for being undercut by the government."*

**Renewable Energy Program:** H.R. 3161 provides \$46.0 million for this program, which is \$23.1 million more than FY2007 funding and \$12.1 million above the President's request.

### **Title IV – Domestic Food Programs**

**Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):** H.R. 3161 provides \$5.62 billion for WIC, which is \$415.5 million above FY2007 funding and \$233.4 million above the President's request. The USDA states that the WIC program is designed to "safeguard the health of low-income women, infants, & children up to age 5 who are at nutritional risk by providing nutritious foods to supplement diets, information on healthy eating, and referrals to health care."

*\*Note: Committee Republicans stated that "Nearly half of the increase [to WIC funding] goes to this program at the expense of the very programs which are designed to diminish the need for WIC participation. WIC is an important program, but one that treats the result of the problem, and not the problem itself...this program alone consumes nearly 30 percent of the discretionary budget authority in this bill."*

**Food Stamp Program:** The bill provides \$39.8 billion for the food stamp program, which is \$1.65 billion above FY2007 funding and \$22 million below the President's request.

### **Title V – Foreign Assistance and Related Programs**

**Foreign Agriculture Service:** H.R. 3161 provides \$159.1million for this program, which is \$2.8 million above FY2007 funding and \$9.0 million below the President's request.

## **Title VI – Related Agencies and Food and Drug Administration Department of Health and Human Services**

**Food and Drug Administration (FDA):** The bill provides \$1.69 billion for the FDA, which is \$121.5 million above FY2007 funding and \$55.0 million more than the President Requested. The FDA conducts various programs such as food safety, drug evaluation and research, and the Office of Women's Health.

**Commodity Futures Trading Commission (CFTC):** H.R. 3161 provides \$102.5 million for the CFTC, \$4.6 million above FY2007 funding and \$13.5 million below the President's request.

## **Title VII – General Provisions**

**Prescription Drug Importation:** The bill contains a provision that bars funds in the bill from being used to prohibit individuals from importing prescription drugs that are for their personal use.

**Ban on Poultry imports from China:** The bill contains a provision that prohibits funds in the bill from being used to "establish or implement a rule allowing poultry products to be imported into the United States from the People's Republic of China."

**Horse Slaughter:** The bill contains a provision that prohibits funds in the bill from being used to "examine, inspect, certify, or mark horses, horse carcasses, or parts of horse carcasses, or create, distribute, certify, endorse, or file any certificate concerning horses under the Federal Meat Inspection Act."

*\*Note: Committee Republicans stated that "Without any consultation with the minority, the Democrat majority decided to include multiple horse slaughter provisions that are troublesome and may have unintended consequences ...Because these provisions were not well written and their adverse effects not contemplated, they will cause harm to the entire horse industry in this country."*

## **Amendments Pre-Printed on Monday, July 30, 2007**

**1) Rep. Conaway (R-TX):** The amendment would prohibits any funds in this act from being used to carry out any amendment to section 11(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(6)) made by H.R. 2419 [the Farm Bill] as enacted by the 110<sup>th</sup> Congress.

**2) Rep. Conaway (R-TX):** The amendment would establish that it is the sense of the House of Representatives that any reduction in spending in this act should be dedicated to deficit reduction.

**3) Rep. Gingrey (R-GA):** The amendment would reduce funding for the office of the Secretary of Agriculture by 1% (\$50,050).

**4) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Chief Economist by 1% (\$108,470).

**5) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Chief Information Officer by 1% (\$167,230).

**6) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Chief Financial Officer by 1% (\$60,760).

**7) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Office of the Assistant Secretary for Administration by 1% (\$7,090).

**8) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Departmental Administration Account by 1% (\$239,130).

**9) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Office of the Assistant Secretary for Congressional Relations by 1% (\$39,360).

**10) Rep. Gingrey (R-GA):** The amendment would reduce funding for the Department of Agriculture's Office of Communications by 1% (\$97,200).

**11) Rep. Gingrey (R-GA):** The amendment would prohibit any funds in this act from being used to close the office of the Farm Service Agency located in Calhoun, Georgia.

**12) Rep. Gingrey (R-GA):** The amendment would prohibit any funds in this act under the Food Stamp Program from being used "in contravention of section 213A of the Immigration and Nationality Act (8 U.S.C. 1138a)."

**13) Rep. Gingrey (R-GA):** The amendment would prohibit any funds in this act under the WIC program from being used "in contravention of section 213A of the Immigration and Nationality Act (8 U.S.C. 1138a)."

**14) Rep. Jordan (R-OH):** The amendment would reduce spending across the board by 5.5 percent.

**15) Rep. Kingston (R-GA):** The amendment would strike the section regarding drug re-importation (Section 726).

**16) Rep. Kingston (R-GA):** The amendment would strike the section containing “horse slaughter” language (Section 738).

**17) Rep. Kingston (R-GA):** The amendment would prohibit funds in this act from being used to pay the salaries or expenses of any employee of the Department of Agriculture who would require contracts to construct renewable energy systems to be carried out in compliance with the provisions of the Davis-Bacon Act.

**18) Rep. Price (R-GA):** The amendment would reduce spending in the bill by 1% (\$188,170,000).

**19) Rep. Sessions (R-TX):** The amendment would strike a provision of this act that prohibits the Department of Agriculture from being used to contract out government services to private sector entities until the Secretary of Agriculture submits a report to Congress on the Department’s “contracting out policies, including agency budgets for contracting out.”

**20) Rep. Sessions (R-TX):** The amendment would strike a provision (Section 727) that prohibits funds in this act from being used to complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary of Agriculture, including support personnel of the farm loan programs.

**21) Rep. Upton (R-MI):** The amendment would prohibit funds made available in this Act from being used to purchase light bulbs unless the light bulbs have the “Energy Star” or “Federal Energy Management Program” designation.

**22) Rep. Bordallo (D-GU):** The amendment would shift funds within the Department of Agriculture’s Research and Education Account to provide \$800,000 for “distance education grants,” offset by reducing funds for competitive research grants by \$600,000, and reducing funds for resident instruction grants by \$200,000.

**23) Rep. McHenry (R-NC):** This amendment would increase the USDA Rural Development Community Advancement Program grants by \$32 million. The offset comes from the Salaries and Expenses account from FDA.

**24) Rep. McHenry (R-NC):** This amendment would increase the amount of funding for grants in the broadband telecommunications within the distance learning, tele-medicine and broadband program by \$17.82 million. The offset comes from the Salaries and Expenses account from FDA.

**25) Rep. McHenry (R-NC):** This amendment would prohibit funds from being used for the food stamp program in contravention to the Immigration and Nationality Act (8 USC 1101 et. seq).

**26) Rep. Hensarling (R-TX):** This amendment would reduce funding for tele-medicine and distance learning services in rural areas grants by \$5,300,000.

**27) Rep. Hensarling (R-TX):** This amendment would reduce funding for a grant program to finance broadband transmission in rural areas by \$8,910,000.

**27) Rep. Hensarling (R-TX):** This amendment would reduce funds in two of the Rural Community Advancement Program account 1) reduce funds for direct loans, loan guarantees and grants by \$6,287,000 and 2) reduce funds for rural community programs by \$6,287,000.

### **Cost**

A Congressional Budget Office (CBO) cost estimate for S.1 was not available at the time of publication.

### **Staff Contact**

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